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ANNA GATTI and IQ SYSTEMS, LLC

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

LOOP AI LABS, INC., a Delaware
Corporation,

Plaintiff,

vs.

ANNA GATTI, et al.,

Defendants.

Case No. 3:15-CV-00798-HSG

**DEFENDANT ANNA GATTI'S
ANSWER TO SECOND AMENDED
COMPLAINT**

JURY TRIAL DEMANDED

Anna Gatti, files this answer to Plaintiff Loop AI Labs, Inc.'s ("Plaintiff") complaint. Anna Gatti denies each and every allegation contained in the complaint except those expressly admitted below. Each paragraph of the Answer below responds to the same numbered paragraph of the complaint.

I. SUMMARY AND NATURE OF THE ACTION

1. With respect to the allegations contained in Paragraph 1, Anna Gatti denies all allegations therein.

2. With respect to the allegations contained in Paragraph 2, Anna Gatti denies all allegations therein.

3. With respect to the allegations contained in Paragraph 3, Anna Gatti admits all allegations therein except Anna Gatti denies for lack of knowledge the allegations about speech

1 analytics.

2 4. With respect to the allegations contained in Paragraph 4, Anna Gatti denies all
3 allegations therein.

4 5. With respect to the allegations contained in Paragraph 5, Anna Gatti denies all
5 allegations therein except that she was Chief Executive Officer of the Company.

6 6. With respect to the allegations contained in Paragraph 6, Anna Gatti denies all
7 allegations therein but admits she was removed as a director of the Company.

8 7. With respect to the allegations contained in Paragraph 7, Anna Gatti denies all
9 allegations therein.

10 8. With respect to the allegations contained in Paragraph 8, Anna Gatti denies all
11 allegations therein.

12 9. With respect to the allegations contained in Paragraph 9, Anna Gatti denies all
13 allegations therein.

14 10. With respect to the allegations contained in Paragraph 10, Anna Gatti denies all
15 allegations therein.

16 11. With respect to the allegations contained in Paragraph 11, Anna Gatti denies all
17 allegations therein.

18 12. With respect to the allegations contained in Paragraph 12, Anna Gatti denies all
19 allegations therein.

20 13. With respect to the allegations contained in Paragraph 13, Anna Gatti denies all
21 allegations therein.

22 14. With respect to the allegations contained in Paragraph 14, Anna Gatti denies all
23 allegations therein.

24 15. With respect to the allegations contained in Paragraph 15, Anna Gatti denies all
25 allegations therein.

26 16. With respect to the allegations contained in Paragraph 16, Anna Gatti denies all
27 allegations therein.

28 17. With respect to the allegations contained in Paragraph 17, Anna Gatti denies all

1 allegations therein.

2 18. With respect to the allegations contained in Paragraph 18, Anna Gatti denies all
3 allegations therein.

4 19. With respect to the allegations contained in Paragraph 19, Anna Gatti denies all
5 allegations therein.

6 20. With respect to the allegations contained in Paragraph 20, Anna Gatti denies all
7 allegations therein.

8 21. With respect to the allegations contained in Paragraph 21, Anna Gatti admits the
9 contents of the first sentence and denies all other allegations therein.

10 22. With respect to the allegations contained in Paragraph 22, Anna Gatti denies all
11 allegations therein.

12 23. With respect to the allegations contained in Paragraph 23, Anna Gatti denies all
13 allegations therein.

14 24. With respect to the allegations contained in Paragraph 24, Anna Gatti denies all
15 allegations therein.

16 25. With respect to the allegations contained in Paragraph 25, Anna Gatti denies all
17 allegations therein.

18 26. With respect to the allegations contained in Paragraph 26, Anna Gatti denies all
19 allegations therein.

20 27. With respect to the allegations contained in Paragraph 27, Anna Gatti denies all
21 allegations therein.

22 28. With respect to the allegations contained in Paragraph 28, Anna Gatti denies all
23 allegations therein.

24 29. With respect to the allegations contained in Paragraph 29, Anna Gatti denies all
25 allegations therein.

26 30. With respect to the allegations contained in Paragraph 30, Anna Gatti denies all
27 allegations therein.

28 31. With respect to the allegations contained in Paragraph 31, Anna Gatti denies all

1 allegations therein.

2 32. With respect to the allegations contained in Paragraph 32, Anna Gatti admits all
3 allegations therein except denies the first sentence, which alleges that after a venture capital fund
4 agreed to provide a substantial amount of funding, it included a bridge amount to be paid in October
5 2014.

6 33. With respect to the allegations contained in Paragraph 33, Anna Gatti denies all
7 allegations therein.

8 34. With respect to the allegations contained in Paragraph 34, Anna Gatti denies all
9 allegations therein.

10 35. With respect to the allegations contained in Paragraph 35, Anna Gatti denies all
11 allegations therein.

12 36. With respect to the allegations contained in Paragraph 36, Anna Gatti denies all
13 allegations therein but admits an email was sent, which is mischaracterized by the allegations.

14 37. With respect to the allegations contained in Paragraph 37, Anna Gatti denies all
15 allegations therein.

16 38. With respect to the allegations contained in Paragraph 38, Anna Gatti denies all
17 allegations therein.

18 39. With respect to the allegations contained in Paragraph 39, Anna Gatti denies all
19 allegations therein.

20 **II. THE PARTIES**

21 40. With respect to the allegations contained in Paragraph 40, Anna Gatti admits all
22 allegations therein.

23 41. With respect to the allegations contained in Paragraph 41, Anna Gatti admits all
24 allegations therein.

25 42. With respect to the allegations contained in Paragraph 42, Anna Gatti Admits IQ System
26 LLC is a limited liability company established under the laws of the State of California on January 21,
27 2014, domiciled in San Francisco, and that Anna Gatti is the sole member of IQ System LLC. As to all
28 other allegations in Paragraph 42, Anna Gatti denies all allegations therein.

43. With respect to the allegations contained in Paragraph 43, Anna Gatti denies all allegations therein.

44. With respect to the allegations contained in Paragraph 44, Anna Gatti denies all allegations therein.

45. These allegations are not directed at Anna Gatti and, therefore, no response is required. To the extent a response is required, Anna Gatti denies for lack of knowledge all allegations contained in Paragraph 45.

46. These allegations are not directed at Anna Gatti and, therefore, no response is required. To the extent a response is required, Anna Gatti denies all allegations contained in Paragraph 46.

47. With respect to the allegations contained in Paragraph 47, Anna Gatti denies all allegations therein but admits the principal place of business was listed as 24 Clarendon Avenue, San Francisco, California.

III. OTHER CO-CONSPIRATORS

48. With respect to the allegations contained in Paragraph 48, Anna Gatti admits that Antonio Di Napoli is an individual residing in San Francisco at 24 Clarendon Avenue with Gatti. Anna Gatti denies any and all remaining allegations therein.

49. With respect to the allegations contained in Paragraph 49, Anna Gatti denies for lack of knowledge the allegations regarding Manuela Micoli's residence. Further, Anna Gatti denies any and all remaining allegations therein.

50. With respect to the allegations contained in Paragraph 50, Anna Gatti denies all allegations therein.

51. These allegations are not directed at Anna Gatti and, therefore, no response is required. To the extent a response is required, Anna Gatti denies all allegations contained in Paragraph 51 except that Dario Vignudelli is a former consultant of the Company.

52. With respect to the allegations contained in Paragraph 52, Anna Gatti denies all allegations therein.

53. With respect to the allegations contained in Paragraph 53, Anna Gatti denies all allegations contained in Paragraph 53 except that Jeffrey Capaccio is an attorney.

55. With respect to the allegations contained in Paragraph 55, no response is required. To the extent a response is required, Anna Gatti denies all allegations contained therein.

56. With respect to the allegations contained in Paragraph 56, Anna Gatti denies for lack of knowledge all allegations therein.

57. With respect to the allegations contained in Paragraph 57, Anna Gatti denies for lack of knowledge all allegations therein.

58. With respect to the allegations contained in Paragraph 58, Anna Gatti denies for lack of knowledge all allegations therein.

59. With respect to the allegations contained in Paragraph 59, Anna Gatti denies for lack of knowledge all allegations therein.

60. With respect to the allegations contained in Paragraph 60, Anna Gatti denies for lack of knowledge all allegations therein.

61. With respect to the allegations contained in Paragraph 61, Anna Gatti denies for lack of knowledge all allegations therein.

62. With respect to the allegations contained in Paragraph 62, Anna Gatti denies all allegations therein.

63. With respect to the allegations contained in Paragraph 63, Anna Gatti denies for lack of knowledge all allegations therein.

64. With respect to the allegations contained in Paragraph 64, Anna Gatti denies for lack of knowledge all allegations therein.

65. With respect to the allegations contained in Paragraph 65, Anna Gatti denies for lack of knowledge all allegations therein.

66. With respect to the allegations contained in Paragraph 66, Anna Gatti denies all allegations therein, but admits a presentation run by Valeria Sandei occurred.

67. With respect to the allegations contained in Paragraph 67, Anna Gatti denies for lack of

1 knowledge all allegations therein.

2 68. With respect to the allegations contained in Paragraph 68, Anna Gatti denies for lack of
3 knowledge all allegations therein.

4 69. With respect to the allegations contained in Paragraph 69, Anna Gatti denies for lack of
5 knowledge all allegations therein.

6 70. With respect to the allegations contained in Paragraph 70, Anna Gatti denies all
7 allegations therein.

8 71. With respect to the allegations contained in Paragraph 71, Anna Gatti denies all
9 allegations therein.

10 72. With respect to the allegations contained in Paragraph 72 and its subparts, Anna Gatti
11 denies all allegations therein but admits to the contents of the paragraph beginning at line 11 on Page 22
12 and the paragraph beginning at line 4 on Page 23, and that Almawave applied for a patent and that
13 emails were exchanged with Angela Nicolella.

14 73. With respect to the allegations contained in Paragraph 73, Anna Gatti denies for lack of
15 knowledge all allegations therein.

16 74. With respect to the allegations contained in Paragraph 74, Anna Gatti denies for lack of
17 knowledge all allegations therein.

18 75. With respect to the allegations contained in Paragraph 75, Anna Gatti denies for lack of
19 knowledge all allegations therein.

20 76. With respect to the allegations contained in Paragraph 76, Anna Gatti denies for lack of
21 knowledge all allegations therein.

22 **V. GENERAL ALLEGATIONS COMMON TO ALL COUNTS**

23 **A. The Company Entered Into The Stock Purchase Agreement In Reliance Upon**
24 **Gatti's Materially False And Misleading Representations.**

25 77. With respect to the allegations contained in Paragraph 77, Anna Gatti denies all
26 allegations therein.

27 78. With respect to the allegations contained in Paragraph 78, Anna Gatti denies for lack of
28 knowledge all allegations therein.

1 79. With respect to the allegations contained in Paragraph 79, Anna Gatti denies all
2 allegations therein.

3 80. With respect to the allegations contained in Paragraph 80, Anna Gatti denies all
4 allegations therein.

5 81. With respect to the allegations contained in Paragraph 81, Anna Gatti denies all
6 allegations therein.

7 82. With respect to the allegations contained in Paragraph 82, Anna Gatti denies all
8 allegations therein except the first sentence, that Anna Gatti was an independent director of an Italian
9 public company.

10 83. With respect to the allegations contained in Paragraph 83, Anna Gatti denies all
11 allegations therein.

12 84. With respect to the allegations contained in Paragraph 84, Anna Gatti denies all
13 allegations therein.

14 85. With respect to the allegations contained in Paragraph 85, Anna Gatti denies all
15 allegations therein.

16 86. With respect to the allegations contained in Paragraph 86, Anna Gatti denies all
17 allegations therein.

18 87. With respect to the allegations contained in Paragraph 87, Anna Gatti denies all
19 allegations therein.

20 88. With respect to the allegations contained in Paragraph 88, Anna Gatti denies all
21 allegations therein.

22 89. With respect to the allegations contained in Paragraph 89, Anna Gatti denies all
23 allegations therein.

24 **B. Gatti's Contractual Obligations To The Company**

25 90. With respect to the allegations contained in Paragraph 90, Anna Gatti admits all
26 allegations therein.

27 91. With respect to the allegations contained in Paragraph 91, Anna Gatti admits all
28 allegations therein.

1 92. With respect to the allegations contained in Paragraph 92, Anna Gatti admits all
2 allegations therein.

3 93. With respect to the allegations contained in Paragraph 93, Anna Gatti admits all
4 allegations therein.

5 94. With respect to the allegations contained in Paragraph 94, Anna Gatti admits all
6 allegations therein.

7 95. With respect to the allegations contained in Paragraph 95, Anna Gatti admits all
8 allegations therein.

9 96. With respect to the allegations contained in Paragraph 96, Anna Gatti admits all
10 allegations therein.

11 97. With respect to the allegations contained in Paragraph 97, Anna Gatti admits all
12 allegations therein.

13 **C. Unlawful Activities By Gatti And The Other Defendants And Their Co-**
14 **Conspirators.**

15 98. With respect to the allegations contained in Paragraph 98, Anna Gatti admits all
16 allegations therein.

17 99. With respect to the allegations contained in Paragraph 99, Anna Gatti denies all
18 allegations therein.

19 100. With respect to the allegations contained in Paragraph 100, Anna Gatti denies all
20 allegations therein except that her title and assigned role included seeking out venture capital funding
21 for the Company and she was expected to network within the venture capital community and the
22 Northern California technology world, with a view to building awareness of the Company and of the
23 value of its proprietary technology, to gather market intelligence that would be useful to the Company,
24 and to find and attempt to close financing from investors.

25 101. With respect to the allegations contained in Paragraph 101, Anna Gatti denies all
26 allegations therein.

27 102. With respect to the allegations contained in Paragraph 102, Anna Gatti denies all
28 allegations therein.

1 103. With respect to the allegations contained in Paragraph 103, Anna Gatti denies all
2 allegations therein.

3 104. With respect to the allegations contained in Paragraph 104, Anna Gatti denies all
4 allegations therein.

5 **1. The Needs**

6 105. With respect to the allegations contained in Paragraph 105, Anna Gatti denies all
7 allegations therein.

8 106. With respect to the allegations contained in Paragraph 106, Anna Gatti denies for lack of
9 knowledge all allegations therein.

10 107. With respect to the allegations contained in Paragraph 107, Anna Gatti denies all
11 allegations therein.

12 108. With respect to the allegations contained in Paragraph 108, Anna Gatti denies all
13 allegations therein except the first sentence, that on October 21, 2013, at Gatti's invitation, Pansa came
14 to the Company's offices in San Francisco to meet with Gatti.

15 109. With respect to the allegations contained in Paragraph 109, Anna Gatti admits all
16 allegations therein.

17 110. With respect to the allegations contained in Paragraph 110, Anna Gatti denies all
18 allegations therein.

19 111. With respect to the allegations contained in Paragraph 111, Anna Gatti denies all
20 allegations therein.

21 112. With respect to the allegations contained in Paragraph 112, Anna Gatti denies all
22 allegations therein.

23 **2. The Almagiva Defendants.**

24 113. With respect to the allegations contained in Paragraph 113, Anna Gatti denies all
25 allegations therein.

26 114. With respect to the allegations contained in Paragraph 114, Anna Gatti denies all
27 allegations therein except that the Almagiva Defendants operate a technology company and sought to
28 enter the San Francisco and Silicon Valley space.

1 115. With respect to the allegations contained in Paragraph 115, Anna Gatti denies all
2 allegations therein except that the Almaviva Defendants knew that Gatti was already the CEO of the
3 Company.

4 116. With respect to the allegations contained in Paragraph 116, Anna Gatti denies all
5 allegations therein.

6 117. With respect to the allegations contained in Paragraph 117, Anna Gatti denies all
7 allegations therein except that the company was domiciled at Gatti's address.

8 118. With respect to the allegations contained in Paragraph 118, Anna Gatti denies all
9 allegations therein.

10 119. With respect to the allegations contained in Paragraph 119, Anna Gatti denies all
11 allegations therein.

12 120. With respect to the allegations contained in Paragraph 120, Anna Gatti denies all
13 allegations therein.

14 121. With respect to the allegations contained in Paragraph 121, Anna Gatti denies all
15 allegations therein.

16 122. With respect to the allegations contained in Paragraph 122, Anna Gatti denies all
17 allegations therein except that she admits that Almaviva was not interested in investing in the
18 Company.

19 123. With respect to the allegations contained in Paragraph 123, Anna Gatti denies all
20 allegations therein.

21 124. With respect to the allegations contained in Paragraph 124, Anna Gatti denies all
22 allegations therein.

23 125. With respect to the allegations contained in Paragraph 125, Anna Gatti denies all
24 allegations therein.

25 126. With respect to the allegations contained in Paragraph 126, Anna Gatti denies all
26 allegations therein except admits that the Company was at the Beta Track in Dublin.

27 127. With respect to the allegations contained in Paragraph 127, Anna Gatti denies all
28 allegations therein except that she would remain a point of contact with Investment Fund 4.

1 128. With respect to the allegations contained in Paragraph 128, Anna Gatti denies all
2 allegations therein except for the first sentence, that negotiations advanced to its final stages and the
3 Company and Investment Fund 4 executed a term sheet setting forth some of the terms of a potential
4 agreement.

5 129. With respect to the allegations contained in Paragraph 129, Anna Gatti denies all
6 allegations therein.

7 130. With respect to the allegations contained in Paragraph 130, Anna Gatti denies all
8 allegations therein except that she was removed as a director in the Company.

9 131. With respect to the allegations contained in Paragraph 131, Anna Gatti denies all
10 allegations therein.

11 132. With respect to the allegations contained in Paragraph 132, Anna Gatti denies all
12 allegations therein.

13 133. With respect to the allegations contained in Paragraph 133, Anna Gatti denies all
14 allegations therein except that Mr. DiNapoli was awaiting office space and the company consented to
15 the use of two desks.

16 134. With respect to the allegations contained in Paragraph 134, Anna Gatti denies all
17 allegations therein.

18 135. With respect to the allegations contained in Paragraph 135, Anna Gatti denies all
19 allegations therein except that the company was domiciled at Gatti's address.

20 136. With respect to the allegations contained in Paragraph 136, Anna Gatti denies all
21 allegations therein.

22 137. With respect to the allegations contained in Paragraph 137, Anna Gatti denies all
23 allegations therein.

24 138. With respect to the allegations contained in Paragraph 138, Anna Gatti denies all
25 allegations therein.

26 139. With respect to the allegations contained in Paragraph 139, Anna Gatti denies all
27 allegations therein.
28

1 140. With respect to the allegations contained in Paragraph 140, Anna Gatti denies all
2 allegations therein.

3 141. With respect to the allegations contained in Paragraph 141, Anna Gatti denies all
4 allegations therein and denies for lack of knowledge the allegations about Valeria Sandei.

5 142. With respect to the allegations contained in Paragraph 142, Anna Gatti denies all
6 allegations therein.

7 **D. Gatti's Means of Communications**

8 143. With respect to the allegations contained in Paragraph 143, Anna Gatti denies all
9 allegations therein

10 **E. Gatti and the Amlaviva Defendants' Wrongdoing and Fraudulent Activities**
11 **Are Ongoing**

12 144. With respect to the allegations contained in Paragraph 144, Anna Gatti denies all
13 allegations therein.

14 145. With respect to the allegations contained in Paragraph 145, Anna Gatti denies all
15 allegations therein.

16 146. With respect to the allegations contained in Paragraph 146, Anna Gatti denies all
17 allegations therein.

18 147. With respect to the allegations contained in Paragraph 147, Anna Gatti denies all
19 allegations therein but admits she sent an email on that date.

20 148. With respect to the allegations contained in Paragraph 148, Anna Gatti denies all
21 allegations therein.

22 149. With respect to the allegations contained in Paragraph 149, Anna Gatti denies all
23 allegations therein.

24 150. With respect to the allegations contained in Paragraph 150, Anna Gatti denies all
25 allegations therein.

26 **F. Gatti's Abuse of Access to the Company's Bank Account, Misuse of the**
27 **Company's Funds and Secreting of Funds**
28

1 151. With respect to the allegations contained in Paragraph 151, Anna Gatti denies all
2 allegations therein.

3 152. With respect to the allegations contained in Paragraph 152, Anna Gatti denies all
4 allegations therein.

5 153. With respect to the allegations contained in Paragraph 153, Anna Gatti denies all
6 allegations therein but admits she has gone to Bank of the West.

7 154. With respect to the allegations contained in Paragraph 154, Anna Gatti denies all
8 allegations therein.

9 **G. The Confidential Information and Trade Secrets At Issue**

10 155. With respect to the allegations contained in Paragraph 155, Anna Gatti denies all
11 allegations therein.

12 156. With respect to the allegations contained in Paragraph 156, Anna Gatti denies all
13 allegations therein.

14 157. With respect to the allegations contained in Paragraph 157, Anna Gatti denies all
15 allegations therein.

16 158. With respect to the allegations contained in Paragraph 158, Anna Gatti denies all
17 allegations therein.

18 159. With respect to the allegations contained in Paragraph 159, Anna Gatti denies all
19 allegations therein.

20 160. With respect to the allegations contained in Paragraph 160, Anna Gatti denies all
21 allegations therein.

22 161. With respect to the allegations contained in Paragraph 161, Anna Gatti denies all
23 allegations therein.

24 162. With respect to the allegations contained in Paragraph 162, Anna Gatti denies all
25 allegations therein.

26 163. With respect to the allegations contained in Paragraph 163, Anna Gatti denies all
27 allegations therein.
28

1 164. With respect to the allegations contained in Paragraph 164, Anna Gatti denies for lack of
2 knowledge all allegations therein but admits she sent an email and admits the discussions were
3 confidential.

4 165. With respect to the allegations contained in Paragraph 165, Anna Gatti denies for lack of
5 knowledge all allegations therein.

6 166. With respect to the allegations contained in Paragraph 166, Anna Gatti denies all
7 allegations therein.

8 167. With respect to the allegations contained in Paragraph 167, Anna Gatti denies for lack of
9 knowledge all allegations therein.

10 168. With respect to the allegations contained in Paragraph 168, Anna Gatti denies for lack of
11 knowledge all allegations therein.

12 169. With respect to the allegations contained in Paragraph 169, Anna Gatti denies for lack of
13 knowledge all allegations therein.

14 170. With respect to the allegations contained in Paragraph 170, Anna Gatti denies for lack of
15 knowledge all allegations therein.

16 171. With respect to the allegations contained in Paragraph 171, Anna Gatti denies for lack of
17 knowledge all allegations therein.

18 172. With respect to the allegations contained in Paragraph 172, Anna Gatti denies for lack of
19 knowledge all allegations therein.

20 173. With respect to the allegations contained in Paragraph 173, Anna Gatti denies for lack of
21 knowledge all allegations therein.

22 174. With respect to the allegations contained in Paragraph 174, Anna Gatti denies for lack of
23 knowledge all allegations therein.

24 175. With respect to the allegations contained in Paragraph 175, Anna Gatti admits to the first
25 sentence but denies all other allegations therein.

26 176. With respect to the allegations contained in Paragraph 176, Anna Gatti denies for lack of
27 knowledge all allegations therein.
28

1 177. With respect to the allegations contained in Paragraph 177, Anna Gatti denies for lack of
2 knowledge all allegations therein.

3 178. With respect to the allegations contained in Paragraph 178, Anna Gatti denies for lack of
4 knowledge all allegations therein.

5 179. With respect to the allegations contained in Paragraph 179, Anna Gatti denies for lack of
6 knowledge all allegations therein.

7 180. With respect to the allegations contained in Paragraph 180, Anna Gatti denies for lack of
8 knowledge all allegations therein.

9 181. With respect to the allegations contained in Paragraph 181, Anna Gatti admits that the
10 Company was preparing to undergo due diligence and she compiled documents but denies all other
11 allegations therein.

12 182. With respect to the allegations contained in Paragraph 182, Anna Gatti denies for lack of
13 knowledge all allegations therein.

14 183. With respect to the allegations contained in Paragraph 183, Anna Gatti denies for lack of
15 knowledge all allegations therein.

16 184. With respect to the allegations contained in Paragraph 184, Anna Gatti denies all
17 allegations therein.

18 185. With respect to the allegations contained in Paragraph 185, Anna Gatti denies all
19 allegations therein.

20 186. With respect to the allegations contained in Paragraph 186, Anna Gatti denies all
21 allegations therein.

22 187. With respect to the allegations contained in Paragraph 187, Anna Gatti denies all
23 allegations therein.

24 188. With respect to the allegations contained in Paragraph 188, Anna Gatti denies all
25 allegations therein.

26 189. With respect to the allegations contained in Paragraph 189, Anna Gatti denies all
27 allegations therein.

28

1 190. With respect to the allegations contained in Paragraph 190, Anna Gatti denies for lack of
2 knowledge all allegations therein.

3 191. With respect to the allegations contained in Paragraph 191, Anna Gatti denies all
4 allegations therein except that Vignudelli was retained by IQ Systems.

5 192. With respect to the allegations contained in Paragraph 192, Anna Gatti denies all
6 allegations therein.

7 193. With respect to the allegations contained in Paragraph 193, Anna Gatti denies all
8 allegations therein.

9 194. With respect to the allegations contained in Paragraph 194, Anna Gatti denies all
10 allegations therein.

11 195. With respect to the allegations contained in Paragraph 195, Anna Gatti denies all
12 allegations therein.

13 196. With respect to the allegations contained in Paragraph 196, Anna Gatti denies all
14 allegations therein.

15 197. With respect to the allegations contained in Paragraph 197, Anna Gatti denies all
16 allegations therein.

17 198. With respect to the allegations contained in Paragraph 198, Anna Gatti denies all
18 allegations therein.

19 199. With respect to the allegations contained in Paragraph 199, Anna Gatti denies all
20 allegations therein.

21 200. With respect to the allegations contained in Paragraph 200, Anna Gatti denies all
22 allegations therein.

23 **H. Actions By The Defendants And Some Of Their Co-Conspirators**

24 201. With respect to the allegations contained in Paragraph 201, Anna Gatti denies all
25 allegations therein except that she was an employee of Almawave USA.

26 202. With respect to the allegations contained in Paragraph 202, Anna Gatti denies all
27 allegations therein.

28

1 203. With respect to the allegations contained in Paragraph 203, Anna Gatti denies all
2 allegations therein.

3 204. With respect to the allegations contained in Paragraph 204, Anna Gatti admits all
4 allegations therein.

5 205. With respect to the allegations contained in Paragraph 205, Anna Gatti denies all
6 allegations therein.

7 206. With respect to the allegations contained in Paragraph 206, Anna Gatti denies for lack of
8 knowledge all allegations therein.

9 207. With respect to the allegations contained in Paragraph 207, Anna Gatti denies for lack of
10 knowledge all allegations therein.

11 208. With respect to the allegations contained in Paragraph 208, Anna Gatti denies all
12 allegations therein.

13 209. With respect to the allegations contained in Paragraph 209, Anna Gatti denies all
14 allegations therein.

15 210. With respect to the allegations contained in Paragraph 210, Anna Gatti denies all
16 allegations therein.

17 **I. Jeffrey Capaccio's Role In The Conspiracy**

18 211. With respect to the allegations contained in Paragraph 211, Anna Gatti denies for lack of
19 knowledge all allegations therein.

20 212. With respect to the allegations contained in Paragraph 212, Anna Gatti denies for lack of
21 knowledge all allegations therein.

22 213. With respect to the allegations contained in Paragraph 213, Anna Gatti denies all
23 allegations therein.

24 **FIRST CAUSE OF ACTION**

25 **(Racketeer Influenced and Corrupt Organizations, 18 U.S.C. §§ 1962 *et seq.*,**
26 **against All Defendants)**

27 214. This paragraph incorporates paragraphs 1 through 213 of Plaintiff's complaint. Anna
28 Gatti likewise incorporates its earlier responses to paragraphs 1 through 213 as if set forth in full.

1 215. With respect to the allegations contained in Paragraph 215, Anna Gatti denies all
2 allegations therein.

3 216. With respect to the allegations contained in Paragraph 216, Anna Gatti denies for lack of
4 knowledge all allegations therein.

5 217. With respect to the allegations contained in Paragraph 217, Anna Gatti denies all
6 allegations therein.

7 218. With respect to the allegations contained in Paragraph 218, Anna Gatti denies for lack of
8 knowledge all allegations therein except that Almaviva applied for a patent.

9 219. With respect to the allegations contained in Paragraph 219, Anna Gatti denies all
10 allegations therein.

11 220. With respect to the allegations contained in Paragraph 220, Anna Gatti denies all
12 allegations therein.

13 221. With respect to the allegations contained in Paragraph 221, Anna Gatti denies all
14 allegations therein.

15 222. With respect to the allegations contained in Paragraph 222, Anna Gatti denies all
16 allegations therein but admits to using Loop's email system and meeting in person with Almax
17 personnel.

18 223. With respect to the allegations contained in Paragraph 223, Anna Gatti denies all
19 allegations therein.

20 224. With respect to the allegations contained in Paragraph 224, Anna Gatti denies all
21 allegations therein.

22 225. With respect to the allegations contained in Paragraph 225, Anna Gatti denies all
23 allegations therein.

24 226. With respect to the allegations contained in Paragraph 226, Anna Gatti denies all
25 allegations therein.

26 227. With respect to the allegations contained in Paragraph 227, Anna Gatti denies all
27 allegations therein.

228. With respect to the allegations contained in Paragraph 228, Anna Gatti denies all allegations therein.

229. With respect to the allegations contained in Paragraph 229, Anna Gatti denies for lack of knowledge all allegations therein.

230. With respect to the allegations contained in Paragraph 230, Anna Gatti denies all allegations therein.

231. With respect to the allegations contained in Paragraph 231, Anna Gatti denies all allegations therein.

232. With respect to the allegations contained in Paragraph 232, Anna Gatti denies all allegations therein.

233. With respect to the allegations contained in Paragraph 233, Anna Gatti denies all allegations therein.

234. With respect to the allegations contained in Paragraph 234, Anna Gatti denies all allegations therein but admits asking to keep contact with WI Harper.

235. With respect to the allegations contained in Paragraph 235, Anna Gatti denies all allegations therein.

236. With respect to the allegations contained in Paragraph 236, Anna Gatti denies all allegations therein.

237. With respect to the allegations contained in Paragraph 237, Anna Gatti denies all allegations therein.

238. With respect to the allegations contained in Paragraph 238, Anna Gatti denies all allegations therein.

239. With respect to the allegations contained in Paragraph 239, Anna Gatti denies all allegations therein.

240. With respect to the allegations contained in Paragraph 240, Anna Gatti denies all allegations therein.

SECOND CAUSE OF ACTION

(Computer Fraud and Abuse Act, 18 U.S.C. §§ 1030 *et seq.*, against All Defendants and

**Unauthorized Access to Computers, Cal. Penal Code §§ 502 *et seq.* against All
Defendants)**

241. This paragraph incorporates paragraphs 1 through 240 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 240 as if set forth in full.

242. With respect to the allegations contained in Paragraph 242, Anna Gatti denies all allegations therein.

243. With respect to the allegations contained in Paragraph 243, Anna Gatti denies all allegations therein.

244. With respect to the allegations contained in Paragraph 244, Anna Gatti denies all allegations therein.

245. With respect to the allegations contained in Paragraph 245, Anna Gatti denies all allegations therein.

246. With respect to the allegations contained in Paragraph 246, Anna Gatti denies all allegations therein.

247. With respect to the allegations contained in Paragraph 247, Anna Gatti denies all allegations therein.

248. With respect to the allegations contained in Paragraph 248, Anna Gatti denies all allegations therein.

249. With respect to the allegations contained in Paragraph 249, Anna Gatti denies all allegations therein.

250. With respect to the allegations contained in Paragraph 250, Anna Gatti denies all allegations therein.

251. With respect to the allegations contained in Paragraph 251, Anna Gatti denies all allegations therein.

252. With respect to the allegations contained in Paragraph 252, Anna Gatti denies all allegations therein.

253. With respect to the allegations contained in Paragraph 253, Anna Gatti denies all allegations therein.

266. This paragraph incorporates paragraphs 1 through 265 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 265 as if set forth in full.

267. With respect to the allegations contained in Paragraph 267, Anna Gatti denies all allegations therein.

268. With respect to the allegations contained in Paragraph 268, Anna Gatti denies all allegations therein.

269. With respect to the allegations contained in Paragraph 269, Anna Gatti denies all allegations therein.

270. With respect to the allegations contained in Paragraph 270, Anna Gatti denies all allegations therein.

271. With respect to the allegations contained in Paragraph 271, Anna Gatti denies all allegations therein.

272. With respect to the allegations contained in Paragraph 272, Anna Gatti denies all allegations therein.

273. With respect to the allegations contained in Paragraph 273, Anna Gatti denies all allegations therein.

FIFTH CAUSE OF ACTION

(Fraud against All Defendants)

274. This paragraph incorporates paragraphs 1 through 273 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 273 as if set forth in full.

275. With respect to the allegations contained in Paragraph 275, Anna Gatti denies all allegations therein.

276. With respect to the allegations contained in Paragraph 276, Anna Gatti denies all allegations therein.

277. With respect to the allegations contained in Paragraph 277, Anna Gatti denies all allegations therein.

278. With respect to the allegations contained in Paragraph 278, Anna Gatti denies all allegations therein.

1 291. With respect to the allegations contained in Paragraph 291, Anna Gatti denies all
2 allegations therein.

3 292. With respect to the allegations contained in Paragraph 292, Anna Gatti denies all
4 allegations therein.

5 293. With respect to the allegations contained in Paragraph 293, Anna Gatti denies all
6 allegations therein.

7 294. With respect to the allegations contained in Paragraph 294, Anna Gatti denies all
8 allegations therein.

9 295. With respect to the allegations contained in Paragraph 295, Anna Gatti denies all
10 allegations therein.

11 296. With respect to the allegations contained in Paragraph 296, Anna Gatti denies all
12 allegations therein.

13 297. With respect to the allegations contained in Paragraph 297, Anna Gatti denies all
14 allegations therein.

15 298. With respect to the allegations contained in Paragraph 298, Anna Gatti denies all
16 allegations therein.

17 299. With respect to the allegations contained in Paragraph 299, Anna Gatti denies all
18 allegations therein.

19 300. With respect to the allegations contained in Paragraph 300, Anna Gatti denies all
20 allegations therein.

21 **SEVENTH CAUSE OF ACTION**

22 **(Breach of Duty of Good Faith and Fair Dealing against Anna Gatti)**

23 301. This paragraph incorporates paragraphs 1 through 300 of Plaintiff's complaint. Anna
24 Gatti likewise incorporates its earlier responses to paragraphs 1 through 300 as if set forth in full.

25 302. With respect to the allegations contained in Paragraph 302, Anna Gatti denies for lack of
26 information all allegations therein.

27 303. With respect to the allegations contained in Paragraph 303, Anna Gatti admits all
28 allegations therein.

1 316. With respect to the allegations contained in Paragraph 316, Anna Gatti denies for lack of
2 knowledge all allegations therein.

3 317. With respect to the allegations contained in Paragraph 317, Anna Gatti admits the
4 economic relations with employees and contractors had the possibility of future economic benefit to the
5 company provided the company could successfully develop and market its product but denies all other
6 allegations therein.

7 318. With respect to the allegations contained in Paragraph 318, Anna Gatti admits all
8 allegations therein.

9 319. With respect to the allegations contained in Paragraph 319, Anna Gatti denies all
10 allegations therein.

11 320. With respect to the allegations contained in Paragraph 320, Anna Gatti denies all
12 allegations therein.

13 321. With respect to the allegations contained in Paragraph 321, Anna Gatti denies all
14 allegations therein.

15 322. With respect to the allegations contained in Paragraph 322, Anna Gatti denies all
16 allegations therein.

17 323. With respect to the allegations contained in Paragraph 323, Anna Gatti denies all
18 allegations therein.

19 324. With respect to the allegations contained in Paragraph 324, Anna Gatti denies all
20 allegations therein.

21 325. With respect to the allegations contained in Paragraph 325, Anna Gatti denies all
22 allegations therein.

23 326. With respect to the allegations contained in Paragraph 326, Anna Gatti denies all
24 allegations therein.

25 **TENTH CAUSE OF ACTION**

26 **(Tortious Interference against all Defendants)**

27 327. This paragraph incorporates paragraphs 1 through 326 of Plaintiff's complaint. Anna
28 Gatti likewise incorporates its earlier responses to paragraphs 1 through 326 as if set forth in full.

1 they have the potential for economic value from not being generally known. Gatti denies each and
2 every other allegation contained in paragraph 338.

3 339. With respect to the allegations contained in Paragraph 339, Anna Gatti denies all
4 allegations therein.

5 340. With respect to the allegations contained in Paragraph 340, Anna Gatti denies all
6 allegations therein.

7 341. With respect to the allegations contained in Paragraph 341, Anna Gatti denies all
8 allegations therein.

9 342. With respect to the allegations contained in Paragraph 342, Anna Gatti denies all
10 allegations therein.

11 343. With respect to the allegations contained in Paragraph 343, Anna Gatti denies all
12 allegations therein.

13 344. With respect to the allegations contained in Paragraph 344, Anna Gatti denies all
14 allegations therein.

15 345. With respect to the allegations contained in Paragraph 345, Anna Gatti denies all
16 allegations therein.

17 346. With respect to the allegations contained in Paragraph 346, Anna Gatti denies all
18 allegations therein.

19 347. With respect to the allegations contained in Paragraph 347, Anna Gatti denies all
20 allegations therein.

21 348. With respect to the allegations contained in Paragraph 348, Anna Gatti denies all
22 allegations therein.

23 349. With respect to the allegations contained in Paragraph 349, Anna Gatti denies all
24 allegations therein.

25 **TWELFTH CAUSE OF ACTION**

26 **(Conversion against Gatti and the IQSystem Defendants)**

1 350. This paragraph incorporates paragraphs 1 through 350 of Plaintiff's complaint.
2 IQSystem, Inc. likewise incorporates its earlier responses to paragraphs 1 through 350 as if set forth in
3 full.

4 351. With respect to the allegations contained in Paragraph 351, Anna Gatti denies all
5 allegations therein.

6 352. With respect to the allegations contained in Paragraph 352, Anna Gatti denies all
7 allegations therein.

8 353. With respect to the allegations contained in Paragraph 353, Anna Gatti denies all
9 allegations therein.

10 354. With respect to the allegations contained in Paragraph 354, Anna Gatti denies all
11 allegations therein.

12 355. With respect to the allegations contained in Paragraph 355, Anna Gatti denies all
13 allegations therein.

14 356. With respect to the allegations contained in Paragraph 356, Anna Gatti denies all
15 allegations therein.

16 **THIRTEENTH CAUSE OF ACTION**

17 **(Unfair Competition against All Defendants)**

18 357. This paragraph incorporates paragraphs 1 through 356 of Plaintiff's complaint. Anna
19 Gatti likewise incorporates its earlier responses to paragraphs 1 through 356 as if set forth in full.

20 358. With respect to the allegations contained in Paragraph 358, Anna Gatti denies all
21 allegations therein.

22 359. With respect to the allegations contained in Paragraph 359, Anna Gatti denies all
23 allegations therein.

24 360. With respect to the allegations contained in Paragraph 360, Anna Gatti denies all
25 allegations therein.

26 361. With respect to the allegations contained in Paragraph 361, Anna Gatti denies all
27 allegations therein.
28

363. With respect to the allegations contained in Paragraph 363, Anna Gatti denies all allegations therein.

364. With respect to the allegations contained in Paragraph 364, Anna Gatti denies all allegations therein.

365. With respect to the allegations contained in Paragraph 365, Anna Gatti denies all allegations therein.

(Unjust Enrichment, against All Defendants)

366. This paragraph incorporates paragraphs 1 through 365 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 365 as if set forth in full.

367. With respect to the allegations contained in Paragraph 367, Anna Gatti denies all allegations therein.

368. With respect to the allegations contained in Paragraph 368, Anna Gatti denies all allegations therein.

369. With respect to the allegations contained in Paragraph 369, Anna Gatti denies all allegations therein.

370. With respect to the allegations contained in Paragraph 370, Anna Gatti denies all allegations therein.

371. With respect to the allegations contained in Paragraph 371, Anna Gatti denies all allegations therein.

(Tortious Interference and Aiding And Abetting Breach of Fiduciary Duty against Defendants Gatti, IQS, and Almaxwave S.r.l. re: Orrick)

372. This paragraph incorporates paragraphs 1 through 371 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 371 as if set forth in full.

1 373. With respect to the allegations contained in Paragraph 373, Anna Gatti admits that the
2 Orrick Law Firm represented Loop but denies all other allegations therein for lack of knowledge.

3 374. With respect to the allegations contained in Paragraph 374, Anna Gatti denies for lack of
4 knowledge all allegations therein.

5 375. With respect to the allegations contained in Paragraph 375, Anna Gatti denies all
6 allegations therein.

7 376. With respect to the allegations contained in Paragraph 376, Anna Gatti denies all
8 allegations therein.

9 377. With respect to the allegations contained in Paragraph 377, Anna Gatti denies for lack of
10 knowledge all allegations therein.

11 378. With respect to the allegations contained in Paragraph 378, Anna Gatti denies for lack of
12 knowledge all allegations therein.

13 379. With respect to the allegations contained in Paragraph 379, Anna Gatti denies all
14 allegations therein.

15 380. With respect to the allegations contained in Paragraph 380, Anna Gatti denies all
16 allegations therein.

17 381. With respect to the allegations contained in Paragraph 381, Anna Gatti denies all
18 allegations therein.

19 382. With respect to the allegations contained in Paragraph 382, Anna Gatti denies all
20 allegations therein.

21 383. With respect to the allegations contained in Paragraph 383, Anna Gatti denies for lack of
22 knowledge all allegations therein.

23 384. With respect to the allegations contained in Paragraph 384, Anna Gatti denies all
24 allegations therein.

25 385. With respect to the allegations contained in Paragraph 385, Anna Gatti denies all
26 allegations therein.

27 386. With respect to the allegations contained in Paragraph 386, Anna Gatti denies all
28 allegations therein.

388. With respect to the allegations contained in Paragraph 388, Anna Gatti denies all allegations therein.

389. With respect to the allegations contained in Paragraph 389, Anna Gatti denies all allegations therein.

390. With respect to the allegations contained in Paragraph 390, Anna Gatti denies all allegations therein.

391. With respect to the allegations contained in Paragraph 391, Anna Gatti denies all allegations therein.

392. With respect to the allegations contained in Paragraph 392, Anna Gatti denies all allegations therein.

393. With respect to the allegations contained in Paragraph 393, Anna Gatti denies all allegations therein.

394. With respect to the allegations contained in Paragraph 394, Anna Gatti denies all allegations therein.

(Tortious Interference against all Defendants re: Vignudelli)

395. This paragraph incorporates paragraphs 1 through 394 of Plaintiff's complaint. Anna Gatti likewise incorporates its earlier responses to paragraphs 1 through 394 as if set forth in full.

396. With respect to the allegations contained in Paragraph 396, Anna Gatti denies all allegations therein.

397. With respect to the allegations contained in Paragraph 397, Anna Gatti denies all allegations therein.

398. With respect to the allegations contained in Paragraph 398, Anna Gatti denies all allegations therein.

399. With respect to the allegations contained in Paragraph 399, Anna Gatti denies all allegations therein.

1 413. With respect to the allegations contained in Paragraph 413, Anna Gatti denies all
2 allegations therein.

3 414. With respect to the allegations contained in Paragraph 414, Anna Gatti denies all
4 allegations therein.

PRAYER FOR RELIEF

6 Plaintiff's prayer for relief does not require a response, but insofar as an answer is deemed
7 necessary, Anna Gatti denies that Plaintiff is entitled to the requested relief or to any relief whatsoever.

FIRST AFFIRMATIVE DEFENSE

(Statutory Limitations)

10 Each and every purported cause of action of the complaint is barred by all applicable statutes of
11 limitations.

SECOND AFFIRMATIVE DEFENSE

(Failure to State a Cause of Action)

14 Each and every purported cause of action fails to state facts sufficient to constitute a cause of
15 action against Anna Gatti

THIRD AFFIRMATIVE DEFENSE

(Laches and Estoppel)

18 By virtue of Plaintiff's actions, inactions, and conduct before filing the Complaint, Plaintiff is
19 barred from seeking or being awarded any relief by the doctrines of estoppel and laches.

FOURTH AFFIRMATIVE DEFENSE

(Failure to Mitigate Damages)

22 Plaintiff has failed to mitigate its damages, if any exist.

FIFTH AFFIRMATIVE DEFENSE

(Unclean Hands)

25 Any alleged loss or damage Plaintiff may have suffered was not caused by any act, omission,
26 representation, or negligence on the part of Anna Gatti , but is solely attributable to the conduct of the
27 Plaintiff or of people other than Anna Gatti

SIXTH AFFIRMATIVE DEFENSE

(Waiver)

Anna Gatti is informed and believes and thereupon alleges that Plaintiff has waived its right to the relief sought in the complaint by virtue of its acts, conduct, representations, and omissions, which constitutes a breach of contract by Plaintiff.

EIGHTH AFFIRMATIVE DEFENSE**(Equity)**

Plaintiff's complaint and each cause of action therein, is barred in whole or in part from recovering the relief sought therein as the equities preponderate in favor of Anna Gatti.

NINTH AFFIRMATIVE DEFENSE**(Good Faith/Lack of Malice)**

Plaintiff's complaint and each cause of action therein, are barred in whole or in part because Anna Gatti acted at all times in good faith, without knowledge of any alleged wrongdoing and without any basis for such knowledge.

TENTH AFFIRMATIVE DEFENSE**(Offset)**

Any claim for damages, which Anna Gatti denies, in Plaintiff's complaint is offset by the damages caused by Plaintiff.

TWELFTH AFFIRMATIVE DEFENSE**(Reservation of Rights to Assert Additional Defenses)**

Anna Gatti reserves its right to assert and rely upon such other applicable affirmative defenses as may become available or apparent during the proceedings in this matter.

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PRAYER

1. That the Complaint be dismissed with prejudice and that Plaintiff take nothing thereby;
2. That Anna Gatti have judgment against Plaintiff in an amount in excess of \$150,000, to be determined at trial;
3. For attorneys fees and costs of suit.
4. For such other relief as the Court deems proper.

Dated: October 7, 2015

LOW, BALL & LYNCH

By: /s/ Thomas J. LoSavio
THOMAS J. LOSAVIO
JAMES F. REGAN
Attorneys for Defendants
ANNA GATTI and IQ SYSTEMS, LLC